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RUEHRI/AMCONSUL RIO DE JANEIRO 7359
RUEHAC/AMEMBASSY ASUNCION 2720
RUEHBU/AMEMBASSY BUENOS AIRES 2398
RUEHMN/AMEMBASSY MONTEVIDEO 2111
RUEHLP/AMEMBASSY LA PAZ 2964
RUEHSG/AMEMBASSY SANTIAGO 1835
RHEHNSC/NSC WASHDC
RUEAIIA/CIA WASHDC
RUMIAAA/USCINCSO MIAMI FL
RUEAWJC/DEPT OF JUSTICE WASHDC
RUEABND/DRUG ENFORCEMENT ADMIN HQ WASHDC

UNCLAS SECTION 01 OF 03 SAO PAULO 000887

SIPDIS

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NSC FOR FEARS
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SENSITIVE
SIPDIS

E.O. 12958: N/A
TAGS: [PGOV](#) [KCRM](#) [CASC](#) [ASEC](#) [SNAR](#) [SOCI](#) [BR](#)
SUBJECT: QUIET IN SAO PAULO, BUT JOURNALISTS' KIDNAPPING MARKS NEW
PCC TACTIC

REF: (A) SAO PAULO 873; (B) SAO PAULO 869; (C) SAO PAULO 865; (D)
SAO PAULO 771; (E) SAO PAULO 742; (F) SAO PAULO 573

SENSITIVE BUT UNCLASSIFIED - PLEASE PROTECT ACCORDINGLY.

11. (SBU) SUMMARY. Sao Paulo residents enjoyed a relatively quiet Father's Day weekend, as a feared repeat of the widespread violence that occurred on Mother's Day three months ago failed to materialize (ref B). Some 13,000 inmates were given weekend furloughs for the holiday, but only scattered incidents reminiscent of previous PCC attacks were reported, and there appears to have been no orchestrated wave of attacks of the kind that the state has experienced on three separate occasions since May (refs C, D, F). Police were out in force over the weekend, including in fashionable neighborhoods where businesses were hoping for a burst of holiday sales. But while the city and state escaped a surge in violence, a two-person television crew was kidnapped on Saturday morning and their network was given a PCC manifesto to air that complained of conditions in the state's prisons. Meanwhile, one of the founding leaders of the PCC was assassinated in prison, most likely on orders from the gang's current leadership, and President Lula and Sao Paulo Governor Lembo reached an accord regarding the availability of federal troops and intelligence services to combat organized crime in Brazil's most populous state (ref A). END SUMMARY.

FATHER'S DAY PASSES QUIETLY IN SAO PAULO

12. (SBU) Sao Paulo residents breathed a collective sigh of relief on Monday, August 14, as Brazil's Father's Day weekend passed without a significant spike in violence, even with the release of 13,000 prisoners on holiday furlough. Prior to the weekend there was concern that the organized criminal gang First Capital Command (PCC) would use the statutorily-mandated prison furlough (refs B, C) as a means to launch another wave of violent confrontations against

the state's police forces akin to the Mother's Day rampage that left 44 police officers and some 100 suspects dead over the course of one week in May (ref E). This concern was heightened after a "third wave" of violence hit Sao Paulo state last week in the run-up to Father's Day (refs A, B). Weekend leave was cancelled for all officers of the Military Police (PM) within metropolitan Sao Paulo. Police were out in greater-than-usual numbers on Saturday, and were noticeable standing in groups on street corners and conducting walking and driving patrols in the fashionable shopping districts of Jardim Paulista and Itaim Bibi, where store owners hoped for a surge in sales for Father's Day.

13. (SBU) Police reported drive-by shooting attacks against the buildings of a bank, a police station and Brazil's Bar Association (OAB) in the pre-dawn hours of Saturday, August 12. The police did not specifically link the attacks to the PCC, but stated that the attacks seemed to have been perpetrated by the same group. Also on Friday night, police killed two men in a shootout, and afterwards found a letter on one that purportedly carried death threats against a list of area judges. By Sunday night, police arrested at least 32 of the prisoners out on furlough for new crimes, and killed four in confrontations. Four buses of the same company were lit afire in a garage on Sunday evening.

TV CREW KIDNAPPED; PCC MESSAGE BROADCASTED

14. (SBU) On Saturday morning, August 12, a television reporter and cameraman working for one of Brazil's major television and news conglomerates, Rede Globo, were kidnapped from a bakery near the network's studios. The cameraman was released late Saturday night near the same spot, with a DVD containing a recorded message from the purported kidnappers. He was told that the reporter would be

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killed if the network did not air the recording immediately. The three-minute message, which Rede Globo began broadcasting early Sunday morning, was made by a self-proclaimed PCC member who lamented conditions within Sao Paulo state's prison system, particularly in regard to the disciplinary system known as the Differentiated Discipline Regime (RDD) used to isolate inmates considered to be gang leaders or otherwise problematic. The reporter was released in the Morumbi neighborhood just after midnight Monday, August 14, after being held for 40 hours.

15. (SBU) In a press release, Rede Globo executives said they consulted with the International News Safety Institute (INSI) and the Atlanta and Beirut offices of the international security consulting firm AKE Group before airing the tape. Rede Globo executives are quoted as saying they were advised by both organizations that they had no real choice but to air the PCC message, given the circumstances and the short deadline set by the kidnappers.

16. (SBU) A police commander was quoted as saying this was the first time in 30 years on the job that he had seen a news crew and network used by kidnappers in this manner. Kidnappings for money occur relatively frequently throughout Brazil, so much so that a particular modus operandi known as "lightning" or "express" kidnappings, wherein a person is held captive at gunpoint usually in his or her own car for several hours for the purpose of withdrawing cash from multiple ATM machines before and after midnight to circumvent daily withdrawal limits, are no longer considered kidnappings by the Sao Paulo state agency for public security, but are instead categorized as robberies. An editor of the widely circulated daily newspaper Folha de Sao Paulo ran a column Sunday entitled "We Live Colombia," in which he likened the current climate of threats against police, judges, politicians and now journalists made by "extremely organized drug traffickers" in Sao Paulo to the infamous narco-terrorist situation in Colombia.

OLD GUARD ELIMINATED

¶7. (SBU) In what appears to be a bit of "housecleaning," one of the two original founders of the PCC, Cesar Augusto Roriz da Silva, known as Cesinha, was killed by another inmate in the maximum security prison at Avere in an apparent PCC assassination. Cesinha and Jos Mrcio Felcio dos Santos, aka Geleiao, are considered to have founded the PCC in 1993 in reaction to the infamous riot at Carandiru Prison during which 111 inmates were gunned down by Military Police shock troops. They also gave the PCC its moniker, which was the name of their prison soccer team.

¶8. (SBU) The two formed the PCC as an inmate-based protectorate, ostensibly to "combat the oppression within the Sao Paulo prison system," and had a grand plan of uniting with the Rio-based Red Command to create a pan-Brazilian prison movement. In 2002 the two were pushed out of the organization for being too "radical," and the PCC's current leader, Marcos Wilians Herbas Camacho, known as Marcola, consolidated power and focused the organization on criminal activity - both inside and outside of the prisons - rather than political movement. But the PCC continues to rail against poor prison conditions (see discussion above regarding the kidnapping of a journalist) and stages periodic riots that ultimately destroy the facilities they claim are deficient. Both Cesinha and Geleiao have long been marked for death by the PCC, and they in turn formed a new gang they called the Third Capital Command, or TCC. PCC and TCC elements have fought periodically for control of Sao Paulo's prisons, and assassinations have been stepped-up in recent months as the PCC has been flexing its muscle throughout the state of Sao Paulo (reftels). Cesinha was killed at 10:30 a.m. on Sunday morning, August 13, with a wooden knife wielded by another inmate, who was immediately brought under control by prison authorities.

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NO FEDERAL TROOPS, FOR NOW

¶9. (SBU) Meanwhile, President Lula and Sao Paulo Governor Claudio Lembo reached an accord of sorts on Friday, August 11, regarding the mobilization of federal troops in Sao Paulo to combat organized crime (ref A). During a forty-minute meeting at Congonhas Airport in Sao Paulo, Lula told the governor that 10,000 troops of the Brazilian Army stood ready to deploy across the state to help fight the PCC; the governor simply need ask. Governor Lembo assured the president that the troops would not be necessary. Instead, the two executives agreed that the Army would provide additional intelligence and logistical support to the state's security apparatus, and the governor told reporters after the meeting that residents can expect better integration between Army and state intelligence functions within a week.

¶10. (SBU) In particular, the Army will help train agents of the state Secretariat for Penitentiary Administration (SAP), which has been struggling to establish its own intelligence infrastructure leading to difficulties in information-sharing between it and other state and federal intelligence agencies. In that vein, on Friday the federal government also made available to the SAP approximately \$20 million of a promised \$50 million public security grant to purchase intelligence and security equipment for the state's prisons. Also, it was reported that as a result of the meeting between President Lula and Governor Lembo, the Army may provide satellite imagery to the state's Military Police to assist in the planning of operations against criminal factions.

THE NEXT "NEW BIG THING"

¶11. (SBU) COMMENT: While a new crime wave did not sweep across Sao Paulo over Father's Day weekend as many expected, the PCC and its activities were never very far from the thoughts of state's residents or its political leaders. The agreement on federal troops will lessen the pressure on Governor Lembo to accept the offer made by the President and the Minister of Justice (ref A) (NOTE: Last week, even members of Lembo's own political party and its chief coalition partner publicly questioned his intransigence to accepting

a role for the Army to play in state security. END NOTE.), and the intelligence sharing plan may actually afford the state a new effectiveness in its ongoing battle with the PCC. But the PCC's repeated assaults on public life in Sao Paulo, together with its latest shocking tactics -- the kidnapping of a television crew to ensure that its message was broadcast to the public, the discovery of the judicial hit-list and the expanded use of homemade bombs against soft targets last week (ref A) -- indicate the PCC may be adopting urban terrorist tactics not usually expected from a prison-based gang thought to be concerned only with running drugs, guns, cigarettes and unlicensed transport businesses. Sao Paulo's elite may have more to fear from the PCC in the future, and the state government may be forced to wage war against the gang on yet another front. END COMMENT.

112. (U) This cable was coordinated/cleared by Embassy Brasilia.

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